

NEW JERSEY SECTION 1115 DEMONSTRATION

FACT SHEET

Name of Section 1115 Demonstration:	Personal Preference
Date Proposal Submitted:	May 13, 1996
Date Proposal Approved:	October 9, 1998
Implemented:	May 1, 2000
Amendment to Realign Demo Authority Submitted:	June 12, 2003
Date Amendment Approved:	October 8, 2003
Amendment to End Randomization Submitted:	May 17, 2004
Date Amendment Approved:	December 15, 2004
Expires:	April 30, 2008

SUMMARY

The State of New Jersey is operating an "Independence Plus" section 1115 demonstration program entitled, "Personal Preference." The program was part of the original national "Cash and Counseling" demonstration project which was a three-state project sponsored jointly by the Robert Wood Johnson Foundation and the Department of Health and Human Services (HHS). The Cash and Counseling demonstration allowed consumers to receive cash allowances, which they could use to select and purchase personal assistance and related services that met their needs. Eligible participants were originally randomized into two groups: a treatment group which received a monthly cash allotment with which to purchase needed services under the personal care benefit, and a control group which received services under the traditional agency model. With the approval of an amendment to their demonstration to eliminate the randomization component, all demonstration enrollees can receive the monthly cash allotment with which to direct the provision of personal care services. This amendment also incorporated required elements of the *Independence Plus* initiative (a 2002 HHS initiative designed to help states develop consumer-directed programs) into the Personal Preferences program.

Consumers may hire their own workers, and determine which services they need, along with how much of a service to receive. Consumers are the employers of record to any workers they hire. They may choose to manage their care independently, or choose the assistance of a fiscal intermediary to handle tax and payroll functions.

TARGET POPULATION/ELIGIBILITY

Personal Preference is available to Medicaid consumers over 18 years of age who receive or are eligible to receive personal care services for more than 180 days per year.

NUMBER OF INDIVIDUALS SERVED

As of July 2002, 1,866 individuals had been randomized into the treatment or control group. The State decided at that time to terminate enrollment into the program until a non-randomized design was instituted. This led to significant attrition from the demonstration. As of January 2005, enrollment figures were approximately 800 individuals in both the treatment and control groups.

BENEFIT PACKAGE

Personal care, fiscal management, and counseling services are provided through this demonstration.

COST-SHARING

There is no cost-sharing associated with this demonstration.

ENROLLMENT LIMIT/CAP

New Jersey stopped enrollment in July 2002 with 1,866 individuals enrolled. The targeted cap was 2,000.

DELIVERY SYSTEM

Personal care services are provided to consumers by providers of their choice. Consumers determine the services they need, and from whom to receive them. The consumers pay their workers from accounts set up for them through the State, which contains the amount of funds the Medicaid program would have spent on their personal care services.

QUALITY ASSURANCE

Counselors are available to all consumers to provide assistance with any questions or problems. The fiscal intermediary agency, along with counselors, monitors the monthly spending of consumers, and advises them on the management of funds. Ultimate decision-making responsibility, however, lies with the consumers. Satisfaction surveys are mailed to all participants.

MODIFICATIONS/AMENDMENTS

On October 8, 2003, New Jersey received approval to realign their five years of demonstration authority to begin from the date of implementation, rather than from the date of approval. This resulted in Section 1115 demonstration authority for the period of May 1, 2000 through April 30, 2005.

On December 15, 2004, New Jersey received approval to revise their original demonstration design to eliminate the randomization component, and incorporate required elements of the *Independence Plus* initiative, thereby allowing all demonstration enrollees to self-direct the provision of personal assistance and related services. CMS also extended New Jersey's demonstration to give the State an additional 3 years of Medicaid expenditure authority to expand its self-direction program. This authority is now extended through April 30, 2008.

For additional information, please contact the CMS Project Officer – Marguerite Schervish at 410-786-7200 or Marguerite.Schervish@cms.hhs.gov.

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